

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 9th day of January, 2007 the Aransas Pass Municipal Development District convened in a Regular Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT

PRESENT: DON MCTEE President
HOPE COMINGORE Vice President
SHERRI TRINGALI Secretary
RANDALL FREEZE Director
HARLAN ROBERTS Director
HAROLD HEES Director
ED LAPOINTE Director

ABSENT: JESSE GALVAN Director
RANDY BOATMAN Director

STAFF PRESENT: DEBRA KELLER Executive Director/Treasurer

CITY STAFF PRESENT: NONE

OTHERS PRESENT:

ITEM 1. CALL MEETING TO ORDER

President McTee called the Meeting to order at 6:30 P.M. on January 9, 2007. President McTee stated there was a quorum present.

ITEM 2. APPROVAL OF MINUTES OF MEETING OF SEPTEMBER 5, 2006

Director Freeze moved to approve the minutes of the regular meeting of November 9, 2006. Director Comingore seconded the motion and the motion carried unanimously.

ITEM 3. APPROVAL OF MINUTES OF SPECIAL JOINT MEETING WITH CITY COUNCIL DECEMBER 11, 2006.

Executive Director stated the City Secretary had a problem hearing the tape of the minutes of December 11, 2006 and had asked that Executive Director fill in any missing points in the minutes, which she did.

Director Roberts questioned the continued presence of Director Galvan on the Boards rolls when he was the City Council's representative on the Board but was no longer a Council Member.

Executive Director stated the Board could recommend Director Galvan's termination to the City Council on the basis of his missing three meetings.

Director Freeze stated Ms. Dorothy Roberts was Director Galvan's alternate (and was also no longer a City Council Member).

President McTee stated the City Council appoints a representative to the Board and the Board has a place open. It would be up to the Board to recommend to the City Council that the Board delete the inactive members and the City Council appoint a new representative to the Board.

Director Freeze made the motion to approve the minutes of the Special Joint Meeting with the City Council December 11, 2006. Vice President Comingore seconded the motion and the motion carried unanimously.

ITEM 4.

PRESENTATION OF 4TH QUARTER FINANCIAL AND INVESTMENT REPORT

Executive Director presented the 4th quarter Financial Report followed by the Investment report explaining the details and noting the variances in the reports.

ITEM 5.

CONSIDER AND ACT ON THE RESIGNATION OF DIRECTOR RANDY BOATMAN.

Director Roberts made the motion the resignation of Director Boatman be approved. Director Freeze seconded the motion and the motion carried unanimously.

ITEM 6.

CONSIDER AND ACT ON RECOMMENDATION TO THE CITY ON THE NUMBER OF DIRECTOR POSITIONS ON THE ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT BOARD.

President McTee stated the Board presently had eleven members with two seats reserved for City representation.

Executive Director stated there were now two vacancies on the Board.

Discussion was held on Board vacancies and advertising.

Secretary Tringali made the motion to maintain the Board at eleven members. Director Hees seconded the motion and the motion carried unanimously.

ITEM 7.

CONSIDER AND ACT ON THE RECOMMENDATION TO THE CITY OF CANDIDATES FOR THE VACANT POSITIONS ON THE ARANSAS PASS MUNICIPAL DISTRICT BOARD.

Discussion was held on applications for Board vacancies.

Director Freeze made the motion to table Item 7. Director Comingore seconded the motion and the motion carried 6 to 1 with President McTee, Vice President Comingore, Secretary Tringali, Directors Freeze, Hees and LaPointe voting yes and Director Roberts voting no.

ITEM 14.

CITIZEN'S COMMENTS

Mr. Gerald Shedd read a poem advocating that the APMDD fund access to the swimming pool for low income children.

ITEM 8.

CONSIDER AND ACT ON RECOMMENDATION TO THE CITY OF ARCHITECTURAL FEES FOR CIVIC CENTER PROJECT

President McTee stated the agreement with the architect is for a percentage of the cost and the Board had asked for a flat rate quote.

Executive Director stated what the Board had previously received showed what the District would be billed off of, which was \$152.00 per square foot and the 8% cost of \$273,074.00. The new estimate was \$140.00 per square foot which makes the flat fee rate \$338,000.00.

Discussion was held on the flat fee rate, the 8% cost, and what was included in the rate and cost.

Director Roberts made the motion to table Item 8 until the Board had more information. Director Freeze seconded the motion and the motion carried unanimously.

ITEM 9.

CONSIDER AND ACT ON AMENDING THE BYLAWS OF THE ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT.

Executive Director stated the bylaws included monthly financial reports which the Board had never intended or prepared and instead of meeting on the second Tuesday of the month the Board meets on the first Tuesday of the month.

Executive Director stated the bylaws state that nine Directors shall be persons who are not employees or officers of the city or members of the City Council. She stated the Board could not make that determination, that was only a recommendation the Board could make to the City Council.

Director Roberts stated the Mayor had asked him to review the District's bylaws to see if the Board was operating within the bylaws or Chapter 377 of the Local Government Code (LGC 377). He stated he had completed part of the report and given it to the City Manager. He stated there were questions regarding the bylaws conforming to LGC 377 and there were going to have to be changes made anyway. He recommended tabling Item 9 and to ask an attorney to compare the District's bylaws with LGC 377. There were changes made to the bylaws in April that were directly against the Local Government Code.

Director Hees asked who wrote the bylaws?

Executive Director stated the District's attorney, Mr. John Bell. She stated Mr. Bell's comments are on the last two pages with his opinion of the wording that should be used in the bylaws.

Executive Director stated when she joined the Board two years ago, there were no bylaws for the District. She stated she had made revisions to bylaws from a previous board she had served on and sent them to the attorney for review at the direction of the Board. Mr. Bell reviewed the bylaws and made several changes. The Board then adopted the bylaws with Mr. Bell's recommended changes.

Director Roberts gave the series of events that lead to review of the bylaws, which started with a complaint from Mr. Gerald Shedd.

Discussion was held on the requested review of the Board's bylaws and Mayor choosing a representative without the Board's knowledge.

Director Hees asked who approved the District's bylaws?

Executive Director stated the APMDD Board approved their bylaws.

Discussion resumed and included discussion on availability of open records.

Director Roberts made the motion to table Item 9 until the Board could have a separate meeting and review the bylaws with attorneys present. Vice President Comingore seconded the motion and the motion carried unanimously.

ITEM 10.

CONSIDER AND ACT ON A REQUEST FROM MAYOR HAMETNER TO APPOINT THE CITY ATTORNEY ALLEN LAWRENCE AS LEGAL COUNSEL FOR THE ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT

Director Roberts stated Mr. Lawrence was the attorney that had the District approved in 1998 and knew more about the District than anyone else. He stated the Mayor thought it would be better to have an attorney that was available to attend meetings when necessary.

Discussion was held on having the same attorney representing the District and the City.

Vice President Comingore made the motion to deny the request to appoint the City Attorney as the District's attorney. Director LaPointe seconded the motion and the carried 5 to 2???. NOTE: There was no call for votes-hands were raised, so a name count could not be made from the tape.

Director Hees made the request that the District's attorney, Mr. John Bell meet with the Board to clarify questions from the Board.

ITEM 11.

DISCUSSION ON THE LOCATION OF RECORDS FOR THE ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT.

President McTee stated the Executive Director had possession of the District's records. He stated there had been concern about the records all being in one place, access to the records, and copies of the records.

Executive Director stated all electronic records are backed up on discs and flash drives and are kept in several locations.

Discussion was held on options of storing the District's records.

Executive Director stated she could get quotes on scanning/duplicating the District's records electronically.

Discussion was held regarding records that require duplication.

Director Roberts suggested copies be made of the District's records and they be stored in a fire proof safe at City Hall requiring sign-in access to the records.

Executive Director stated she would get three quotes on scanning/duplicating the District's records including agendas, minutes, contracts, expenditures, bank statements, and TexPool statements.

ITEM 12.

CONSIDER AND ACT ON EXCUSED ABSENCES.

Executive Director stated she had not heard from Director Stone.

Vice President Comingore asked where does the Board act on unexcused absences? She stated unexcused absences were never on the agenda. She asked should the item be restated to "consider and act on excused and unexcused absences" on every agenda?

Discussion was held on conditions and consideration of unexcused absences.

ITEM 13.

DIRECTOR'S REPORT

Executive Director stated the check detail from the fourth quarter of last year was in the Director's packets.

Executive Director stated she had met with the City Manager regarding the property the District wanted to buy and operating expenses for the civic center. She will give the City Manager information she has on operating expenses of other civic centers.

Executive Director stated the City Manager will check the Hotel/Motel tax revenues for any under payments. She stated the City Manager had told her he would put the Board vacancy on the City Council agenda for January 15 (2007). The City Manager had been informed any rent receipts from the property bought by the District belonged to the District. The City Manager requested that the architect present plans for the new City Hall to the City Council so he could move forward on the project.

Executive Director stated due to talks between the School District and City, the architect had been instructed to revise the civic center plans to include an increase in the banquet hall square footage and remove the senior citizen room. She stated the City Manager requested the District participate in a joint meeting between the City, the District and the School District regarding increasing the square footage of the banquet hall to accommodate School District functions.

Executive Director stated the certificates for Open Meetings Act training compliance were in the Directors' packets that had completed the course.

Executive Director stated she would meet with the auditor on Friday.

Executive Director stated the District's bonds (issued by the City) were refunded at the last City Council meeting. The savings over the life of

the bonds would be approximately \$195,000.00. The refunding of the bonds would have to be approved by the Board.

ITEM 15.

GENERAL DISCUSSION

President McTee reminded the Directors to attend the joint meeting of the City Council, the District and the School District.

Discussion was held on the upcoming joint meeting and the School District's requirements for extra space in the civic center.

ITEM 16.

ADJOURNMENT OF MEETING.

Director Roberts moved to adjourn the meeting. Director LaPointe seconded the motion and President McTee adjourned the meeting at _____ p.m.

Don McTee, President

ATTEST:

Sherri Tringali, Secretary

Note: Secretary Freeze signed for Ms. Tringali due to her absence after her resignation was accepted 1/22/07